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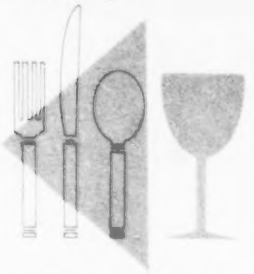

# National Trend of Business in the Restaurant Industry

VOLUME I, NUMBER 8 AUGUST, 1981

Our article this month, entitled "Calculating Potential Sales Value: A Computer Assisted Technique for Beverage Control" was written by G. Kent Stearns and Jack D. Ninemeier, both of the University of New Orleans.

August 1981 analysis indicates a total average receipt per cover of $6.36, an increase of 7.6 percent from the same month last year. Single unit operations reported higher average checks compared with multi-unit properties. By region, those restaurants located in the South Central states had the lowest average receipt per cover of $4.07, while the highest receipt, $9.74, was found in restaurants located in the West.

Once again, total food and beverage sales grew at a more rapid pace than the total cost of food and beverage, 8.6 percent and 2.7 percent respectively, when compared with August 1980. High-volume restaurants, those with more than 304 seats and properties located in the South Central area of the country all reported increases of 10 percent or more in total sales of food and beverage within each of their categories.

Total August 1981 payroll costs rose 6.7 percent over last August, an increase which was evident in every category analyzed. Total covers per full-time-equivalent employee decreased from August 1980 by 1.9 percent, while total sales per payroll dollar increased slightly over 1 percent.

Year-to-date statistics show that total average receipt per cover rose 9.2 percent over the first eight months of 1980 from $6.77 to $7.39. Total food and beverage sales increased at a quicker rate than total food and beverage costs, and total payroll costs rose 6.5 percent when compared to the same period last year.

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TREND REPORT AUGUST 1981 COMPARED WITH AUGUST 1980

| | SALES % CHANGE | | | COST % CHANGE | | | | AVERAGE RECEIPT PER COVER | |
|---|---|---|---|---|---|---|---|---|---|
| | TOTAL | FOOD[1] | BEV.[1] | TOTAL | FOOD[1] | BEV.[1] | PAYROLL | AUG | % CHG |
| TOTAL | 8.6 | 7.5 | 13.9 | 2.7 | 2.3 | 5.7 | 6.7 | $ 6.36 | 7.6 |
| AFFILIATION: | | | | | | | | | |
| Single Unit | 11.2 | 9.9 | 17.3 | 1.9 | 1.9 | 2.0 | 7.1 | $ 8.51 | 7.6 |
| Multi-Unit: | | | | | | | | | |
| Company-Owned | 0.9 | - | * | -5.4 | -6.3 | * | 2.9 | 3.13 | 7.3 |
| Franchised | 7.5 | 6.7 | 12.6 | 5.0 | 4.2 | 12.6 | 7.1 | 5.96 | 5.9 |
| AREA: | | | | | | | | | |
| Northeast | 6.1 | 4.8 | 23.0 | 5.8 | 5.0 | 21.0 | 8.9 | $ 6.44 | 5.1 |
| Southeast | 6.1 | 5.4 | * | 4.5 | 4.4 | * | 4.5 | 6.11 | 5.7 |
| North Central | 8.6 | 8.2 | 10.6 | 7.0 | 6.9 | 7.2 | 9.2 | 6.46 | 6.4 |
| South Central | 10.9 | 10.7 | 11.7 | -8.1 | -8.5 | -5.9 | 4.4 | 4.07 | 7.1 |
| West | 10.1 | 7.5 | 20.6 | -0.5 | -2.0 | 9.7 | 1.0 | 9.74 | 10.5 |
| SALES PER MONTH: | | | | | | | | | |
| Under $45893. | -0.5 | -0.3 | -6.2 | -2.3 | -1.9 | -13.7 | 0.7 | $ 4.03 | 11.6 |
| $45893. TO $68699. | 6.5 | 5.3 | 26.9 | 0.5 | 0.1 | 11.9 | 6.5 | 4.20 | 6.9 |
| $68699. TO $99246. | 6.7 | 6.0 | 11.3 | 6.1 | 5.6 | 10.1 | 10.7 | 6.36 | 4.3 |
| Over $99246. | 10.7 | 9.9 | 14.0 | 2.7 | 2.3 | 4.6 | 5.9 | 7.30 | 8.2 |
| NUMBER OF SEATS: | | | | | | | | | |
| Under 115 | 6.5 | 5.4 | 11.3 | 2.4 | 1.9 | 6.0 | 6.3 | $ 4.19 | 12.8 |
| 115 TO 160 | 7.0 | 6.5 | * | 6.1 | 5.7 | * | 4.5 | 4.35 | 6.5 |
| 160 TO 304 | 7.8 | 6.5 | 15.7 | 5.0 | 4.0 | 13.8 | 12.5 | 7.38 | 5.8 |
| Over 304 | 10.0 | 9.1 | 13.7 | 0.7 | 0.5 | 1.9 | 5.1 | 7.65 | 6.2 |
| TYPE: | | | | | | | | | |
| Cafeteria | * | * | * | * | * | * | * | $ * | * |
| Coffee Shop | 2.8 | 2.8 | * | 1.5 | 1.5 | * | 2.0 | * | * |
| Full Menu: | | | | | | | | | |
| Tableservice | 10.4 | 9.5 | 14.1 | 3.4 | 3.2 | 5.2 | 8.2 | $ 7.79 | 6.7 |
| Limited Menu: | | | | | | | | | |
| Tableservice | 0.2 | -4.3 | * | -11.6 | -14.5 | * | 0.4 | 6.61 | 11.3 |
| No Tableservice | 3.0 | 2.5 | * | 0.5 | 0.6 | * | 3.8 | 3.10 | 10.2 |
| Other | 11.5 | 9.0 | * | 7.8 | 5.7 | * | 18.5 | * | * |

* INSUFFICIENT RESPONSE

\- NO CHANGE

1 Since all restaurants did not report data for each line, each line item has been analyzed separately and may not add to totals shown.

YEAR TO DATE TREND REPORT AS OF AUGUST 1981

| | SALES % CHANGE | | | COST % CHANGE | | | | AVERAGE RECEIPT PER COVER | |
|---|---|---|---|---|---|---|---|---|---|
| | TOTAL | FOOD[1] | BEV.[1] | TOTAL | FOOD[1] | BEV.[1] | PAYROLL | AUG | % CHG |
| TOTAL | 7.8 | 6.7 | 13.5 | 5.7 | 5.2 | 8.1 | 6.5 | $ 7.39 | 9.2 |
| AFFILIATION: | | | | | | | | | |
| Single Unit | 9.4 | 8.2 | 14.3 | 8.3 | 7.2 | 10.4 | 6.9 | $ 9.24 | 8.6 |
| Multi-Unit: | | | | | | | | | |
| Company-Owned | 6.2 | 5.7 | 8.9 | 2.1 | 1.1 | 11.4 | 5.2 | 2.91 | 3.4 |
| Franchised | 6.9 | 5.9 | 13.1 | 4.4 | 4.3 | 6.1 | 6.3 | 6.95 | 9.9 |
| AREA: | | | | | | | | | |
| Northeast | 4.4 | 3.3 | 22.9 | 4.3 | 2.3 | 17.9 | 4.3 | $ 6.66 | 8.4 |
| Southeast | 2.9 | 1.1 | 13.9 | -2.0 | -2.7 | 3.8 | 0.8 | 6.34 | 16.8 |
| North Central | 9.8 | 8.9 | 13.3 | 6.7 | 6.5 | 8.4 | 7.1 | 6.80 | 7.2 |
| South Central | 7.9 | 7.4 | 9.5 | 8.6 | 9.1 | 6.4 | 10.4 | 6.67 | 3.2 |
| West | 10.3 | 9.6 | 13.3 | 8.5 | 8.5 | 8.4 | 8.2 | 8.92 | 8.3 |
| SALES PER MONTH: | | | | | | | | | |
| Under $39172. | 9.7 | 10.0 | 5.1 | 6.1 | 6.2 | 4.7 | 6.6 | $ 3.93 | 3.9 |
| $39172. TO $62017. | 6.2 | 5.0 | 21.6 | 5.1 | 4.4 | 17.5 | 6.1 | 4.97 | 7.9 |
| $62017. TO $104844. | 5.7 | 5.1 | 9.2 | 4.8 | 4.6 | 6.9 | 4.8 | 6.43 | 4.4 |
| Over $104844. | 8.7 | 7.4 | 14.2 | 6.2 | 5.5 | 7.7 | 7.2 | 8.59 | 10.9 |
| NUMBER OF SEATS: | | | | | | | | | |
| Under 110 | 13.4 | 12.6 | 18.7 | 11.0 | 10.5 | 15.9 | 11.7 | $ 4.32 | 11.1 |
| 110 TO 160 | 5.5 | 4.8 | 24.2 | 4.8 | 4.2 | 23.7 | 4.4 | 4.29 | 4.7 |
| 160 TO 285 | 9.8 | 9.4 | 11.9 | 8.4 | 7.9 | 7.2 | 9.6 | 8.22 | 8.1 |
| Over 285 | 5.6 | 3.6 | 13.4 | 2.5 | 1.8 | 6.7 | 3.5 | 8.24 | 11.4 |
| TYPE: | | | | | | | | | |
| Cafeteria | 17.3 | 17.1 | 31.3 | 13.2 | 13.2 | * | 5.2 | $ 2.53 | 12.2 |
| Coffee Shop | 2.2 | 2.1 | 34.5 | 1.7 | 1.6 | 40.7 | 3.2 | 2.73 | 0.2 |
| Full Menu: | | | | | | | | | |
| Tableservice | 7.9 | 6.6 | 13.0 | 5.3 | 4.5 | 7.8 | 5.8 | $ 8.14 | 10.7 |
| Limited Menu: | | | | | | | | | |
| Tableservice | 8.9 | 7.9 | 13.7 | 7.6 | 7.7 | 6.3 | 9.2 | 7.72 | 7.4 |
| No Tableservice | 14.5 | 15.8 | 8.7 | 13.8 | 14.1 | 11.2 | 12.3 | 2.74 | 7.4 |
| Other | 21.7 | 18.2 | 47.7 | 12.5 | 9.3 | 49.3 | 16.2 | 6.11 | 8.7 |

* INSUFFICIENT RESPONSE

1 Since all restaurants did not report data for each line, each line item has been analyzed separately and may therefore not add to totals shown.

FOOD AND BEVERAGE SALES REPORT AUGUST 1981 COMPARED WITH AUGUST 1980

| | COMPOSITION OF SALES | | | | TOTAL COST PER DOLLAR OF SALES | | | |
|---|---|---|---|---|---|---|---|---|
| | AUG 81 | | AUG 80 | | AUG 81 | | AUG 80 | |
| | FOOD | BEV. | FOOD | BEV. | FOOD | BEV. | FOOD | BEV. |
| TOTAL | 83.3 | 16.7 | 84.1 | 15.9 | $ 0.36 | $ 0.24 | $ 0.38 | $ 0.25 |
| AFFILIATION: | | | | | | | | |
| Single Unit | 82.0 | 18.0 | 82.9 | 17.1 | $ 0.35 | $ 0.24 | $ 0.38 | $ 0.27 |
| Multi-Unit: | | | | | | | | |
| Company-Owned | 78.2 | * | 78.9 | * | 0.33 | * | 0.35 | * |
| Franchised | 85.7 | 14.3 | 86.3 | 13.7 | 0.37 | 0.24 | 0.38 | 0.24 |
| AREA: | | | | | | | | |
| Northeast | 92.0 | 8.0 | 93.1 | 6.9 | $ 0.36 | $ 0.24 | $ 0.36 | $ 0.25 |
| Southeast | 91.5 | * | 92.1 | * | 0.39 | * | 0.40 | * |
| North Central | 82.4 | 17.6 | 82.7 | 17.3 | 0.34 | 0.24 | 0.34 | 0.24 |
| South Central | 77.0 | 23.0 | 77.1 | 22.9 | 0.35 | 0.22 | 0.42 | 0.26 |
| West | 78.5 | 21.5 | 80.4 | 19.6 | 0.41 | 0.24 | 0.45 | 0.26 |
| SALES PER MONTH: | | | | | | | | |
| Under $45893. | 96.6 | 3.4 | 96.4 | 3.6 | $ 0.38 | $ 0.30 | $ 0.39 | $ 0.33 |
| $45893. TO $68699. | 93.7 | 6.3 | 94.8 | 5.2 | 0.36 | 0.24 | 0.38 | 0.27 |
| $68699. TO $99246. | 85.6 | 14.4 | 86.2 | 13.8 | 0.38 | 0.26 | 0.38 | 0.26 |
| Over $99246. | 78.7 | 21.3 | 79.3 | 20.7 | 0.35 | 0.23 | 0.37 | 0.25 |
| NUMBER OF SEATS: | | | | | | | | |
| Under 115 | 80.6 | 19.4 | 81.4 | 18.6 | $ 0.35 | $ 0.22 | $ 0.36 | $ 0.23 |
| 115 TO 160 | 94.5 | * | 95.0 | * | 0.36 | * | 0.36 | * |
| 160 TO 304 | 84.4 | 15.6 | 85.5 | 14.5 | 0.39 | 0.26 | 0.40 | 0.27 |
| Over 304 | 80.2 | 19.8 | 80.8 | 19.2 | 0.35 | 0.23 | 0.38 | 0.25 |
| TYPE: | | | | | | | | |
| Cafeteria | * | * | * | * | $ * | $ * | $ * | $ * |
| Coffee Shop | 99.7 | * | 99.8 | * | 0.33 | * | 0.34 | * |
| Full Menu: | | | | | | | | |
| Tableservice | 80.7 | 19.3 | 81.3 | 18.7 | $ 0.37 | $ 0.24 | $ 0.39 | $ 0.26 |
| Limited Menu: | | | | | | | | |
| Tableservice | 83.5 | * | 87.4 | * | 0.37 | * | 0.41 | * |
| No Tableservice | 70.0 | * | 70.3 | * | 0.35 | * | 0.35 | * |
| Other | 85.4 | * | 87.4 | * | 0.34 | * | 0.35 | * |

* INSUFFICIENT RESPONSE

PAYROLL AND EMPLOYEE REPORT AUGUST 1981 COMPARED WITH AUGUST 1980

| | SALES PER FTE EMP | | PAYROLL PER FTE EMP | | COVERS PER FTE EMP | | TOTAL SALES PER PAYROLL DOLLAR | |
|---|---|---|---|---|---|---|---|---|
| | AUG 81 | AUG 80 | AUG 81 | AUG 80 | AUG 81 | AUG 80 | AUG 81 | AUG 80 |
| TOTAL | $ 2425.54 | $ 2316.14 | $ 681.78 | $ 649.72 | 421.3 | 429.4 | $ 3.52 | $ 3.48 |
| AFFILIATION: | | | | | | | | |
| Single Unit | $ 2649.12 | $ 2563.76 | $ 768.27 | $ 749.50 | 318.3 | 333.0 | $ 3.42 | $ 3.30 |
| Multi-Unit: | | | | | | | | |
| Company-Owned | 2734.80 | 2555.41 | 731.32 | 669.62 | 874.3 | 873.9 | 3.74 | 3.82 |
| Franchised | 2198.21 | 2084.36 | 610.06 | 575.16 | 438.8 | 426.5 | 3.58 | 3.60 |
| AREA: | | | | | | | | |
| Northeast | $ 1965.92 | $ 1876.92 | $ 599.68 | $ 554.45 | 448.9 | 422.5 | $ 3.31 | $ 3.40 |
| Southeast | 2010.94 | 1869.70 | 498.57 | 470.61 | 327.2 | 331.8 | 4.03 | 3.97 |
| North Central | 2511.78 | 2421.80 | 694.87 | 662.49 | 407.0 | 414.3 | 3.62 | 3.66 |
| South Central | 2615.02 | 2561.65 | 715.66 | 671.71 | 648.2 | 663.2 | 3.49 | 3.28 |
| West | 3015.31 | 2799.22 | 851.72 | 861.17 | 307.0 | 317.2 | 3.49 | 3.23 |
| SALES PER MONTH: | | | | | | | | |
| Under $45893. | $ 1956.13 | $ 1956.57 | $ 530.96 | $ 524.73 | 514.3 | 555.8 | $ 3.68 | $ 3.73 |
| $45893. TO $68699. | 2096.64 | 2053.84 | 618.72 | 606.11 | 528.7 | 530.6 | 3.30 | 3.34 |
| $68699. TO $99246. | 2075.08 | 1971.56 | 606.81 | 553.47 | 323.0 | 327.9 | 3.39 | 3.52 |
| Over $99246. | 2849.80 | 2685.23 | 782.45 | 749.13 | 421.3 | 427.9 | 3.62 | 3.47 |
| NUMBER OF SEATS: | | | | | | | | |
| Under 115 | $ 2593.96 | $ 2379.89 | $ 681.83 | $ 625.21 | 682.9 | 693.4 | $ 3.73 | $ 3.76 |
| 115 TO 160 | 1926.18 | 1890.99 | 516.36 | 519.28 | 482.7 | 524.1 | 3.73 | 3.64 |
| 160 TO 304 | 2174.29 | 2120.33 | 662.23 | 615.82 | 323.6 | 333.8 | 3.28 | 3.42 |
| Over 304 | 2787.72 | 2629.24 | 786.45 | 747.21 | 375.8 | 370.2 | 3.50 | 3.37 |
| TYPE: | | | | | | | | |
| Cafeteria | $ * | $ * | $ * | $ * | * | * | $ * | $ * |
| Coffee Shop | 1768.46 | 1716.36 | 499.01 | 488.17 | * | * | 3.54 | 3.52 |
| Full Menu: | | | | | | | | |
| Tableservice | $ 2516.41 | $ 2416.15 | $ 718.99 | $ 686.01 | 332.6 | 341.8 | $ 3.46 | $ 3.41 |
| Limited Menu: | | | | | | | | |
| Tableservice | 2493.21 | 2388.04 | 741.85 | 709.82 | 376.9 | 401.9 | 3.36 | 3.36 |
| No Tableservice | 3610.42 | 3245.45 | 901.93 | 804.72 | 1166.5 | 1155.9 | 4.00 | 4.03 |
| Other | 2841.77 | 2857.64 | 889.08 | 841.32 | * | * | 3.20 | 3.40 |

* INSUFFICIENT RESPONSE

# CALCULATING POTENTIAL SALES VALUE:

## A COMPUTER-ASSISTED TECHNIQUE FOR BEVERAGE CONTROL

Using a computer-simulation model to determine the potential sales value of spirits allows the operator to establish a reliable control system without time-consuming paperwork.

* * * * *

Systems currently used to control beverage operations range from virtually nothing (in the often ill-founded belief that "all our employees are honest, and never make mistakes") to time-consuming "ounce-control" systems requiring frequent inventories and complicated calculations to compare ounces issued with sales dollars collected.

A reasonably accurate and practical beverage-control system falling between the two above extremes is the "potential sales value" method. This method involves estimating, based upon an observed sales mix, the revenues to be expected as bottles of liquor are issued to bar service areas. A comparison of empty bottles returned with actual income received allows one to quantify differences between expected and actual sales and provides a foundation on which to base subsequent control procedures.

The chief disadvantage of calculating the potential sales value per bottle is the need, in determining the sales mix and hence the revenue expected from each bottle of spirits, to make tedious counts of the number of each type of drink sold. The calculation is also rendered complex by the need to accommodate varying price schedules (e.g., reduced-price happy-hour specials or higher drink prices when entertainment is offered) that affect the potential sales value of a bottle of spirits. Finally, even if the beverage manager or controller is able to establish both the sales mix and an average revenue per ounce or per bottle for each class or branch of spirits based on the amount of product dispensed in each sales period, these guidelines are not immutable. Seasonal differences in the beverages sold affect the sales mix and thus the potential revenue available from each standard ounce of product sold.

### STUDY OBJECTIVES

The primary purpose of the present study was to develop a streamlined method of analysis that would suggest how many drinks must be surveyed to establish, with reasonable accuracy, a potential sales value for a bottle of spirits.[1]

A secondary objective was to suggest the development of procedures for the sampling of spirits served under pricing structures different from those used in the operation studied. The control system developed in the course of the study differs from the traditional approach to calculating potential sales value, which requires a tally of each type of spirit served during a sampling period. Under the traditional approach, tallies must be kept for the gin, vodka, bourbon, scotch, and other spirits served in the various price categories, yielding individual potential bottle sales values for as many as 60 to 70 products. Needless to say, the paperwork required to calculate the bottles' potential sales values even once - let alone the periodic recalculation needed to reflect changes in consumption patterns - is so time-consuming that few operators would apply the technique rigorously.

In contrast, the data collected in the study reported here considered only two types of liquor - house and call brands - sold under two pricing schemes.

METHODOLOGY

Basic data for the study were gathered during May 1980 at the service bar of a hotel in New Orleans' French Quarter. The facility operated 16 hours daily, seven days a week, and accommodated the needs of a cocktail lounge, a steakhouse located in the hotel, and room service. From 9 PM until 1 AM six nights a week, when entertainment was featured, each drink was sold at a $.25 surcharge in the cocktail lounge; standard prices were charged at all other times throughout the hotel.

During a period of one week (seven 16-hour shifts), a record of each drink sold, and its price, was maintained. Exhibit 1 presents a summary of these data, and indicates what percentage of the total sales mix each drink category represented. This breakdown was used to develop the model simulating the "real-world" sales mix of the operation.

EXHIBIT 1
Observed Sales Mix

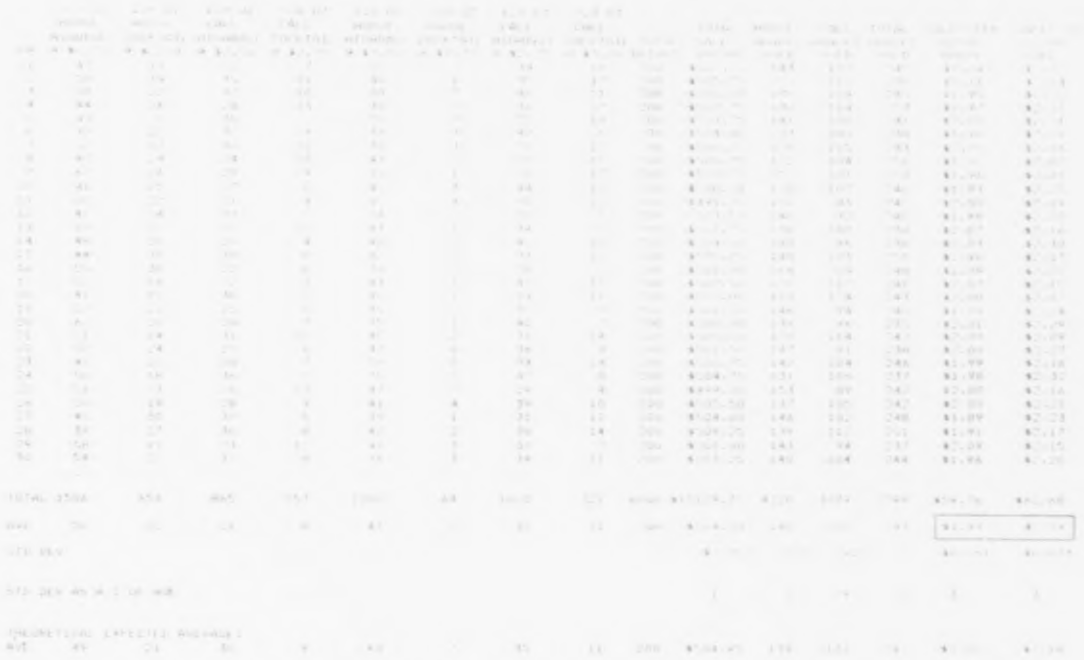
| Drink Category | Oz. of Liquor in Drink | Price per Drink | % of all Drinks |
|---|---|---|---|
| Regular prices: | | | |
| Highball, house brand | 1 | $2.25 | 24.6% |
| Cocktail, house brand | 2 | 2.50 | 10.6 |
| Highball, call brand | 1 | 2.50 | 15.1 |
| Cocktail, call brand | 2 | 2.75 | 4.3 |
| Higher prices: | | | |
| Highball, house brand | 1 | 2.50 | 21.6 |
| Cocktail, house brand | 2 | 2.75 | 1.1 |
| Highball, call brand | 1 | 2.75 | 17.3 |
| Cocktail, call brand | 2 | 3.00 | 5.4 |

To test the effect of various sample sizes on the calculation of potential sales value, a computer-simulation program was written to select drinks from the eight categories, based on the percentage breakdown observed during the week of actual sampling. Using a computer-simulation model to develop the estimates offers several distinct advantages:

- Computer simulations can depict "real-world" situations:
- Variables (e.g., price amount of spirits per drink) can readily be changed so that their effects can be projected:
- The time spent in developing the model is less than that required for sampling in the real word; and
- Unrealistic alternatives can be eliminated before the model is tested in the actual situation.

The variables required for the simulation model are drink type, ounces per drink, drink price, percentage of sales mix, drinks per sample, and number of sample runs. The program was run approximately 30 times for each sample size to test the sensitivity of identified variables. The primary results of the calculation for each sample size were separate potential sales values per ounce for house and call brands. In the sample output that appears as Exhibit 2, the key figures are $1.99 and $2.19.

EXHIBIT 2
Sample Output, Computer Simulation



RESULTS

As can be seen in Exhibit 3, the accuracy of the calculation for potential sales value per ounce (or per bottle) improves as the sample size increases. The practical significance of the results appearing in Exhibit 3 is that they permit the beverage manager to gauge how much accuracy is sacrificed by using a smaller sample size. For example, if the beverage manager chooses to use a sample size of 30 drinks, he runs a two-thirds chance of inaccurately establishing the sales value of his house brands by some seven percent (.139 : 1.97) and his call brands by approximately six percent (.146 : 2.28). If he chooses to expand his sample size to 1,000 drinks, he can reduce the likely inaccuracy to between one and two percent for both types of spirits (although he continues to run a one-third chance of establishing a sales value greater than one standard deviation from the expected sales value per ounce).

EXHIBIT 3
Accuracy of Sales Value

| Number of drinks (per sample) | Average Sales Value (per ounce) | | Standard Deviation | |
|---|---|---|---|---|
| | House | Call | House | Call |
| 10 | $2.09 | $2.21 | .259 | .336 |
| 20 | 2.02 | 2.16 | .174 | .183 |
| 30 | 1.97 | 2.28 | .139 | .146 |
| 40 | 1.97 | 2.18 | .137 | .161 |
| 50 | 1.99 | 2.20 | .101 | .142 |
| 60 | 2.00 | 2.24 | .102 | .110 |
| 100 | 1.98 | 2.18 | .089 | .100 |
| 200 | 1.99 | 2.19 | .061 | .074 |
| 1,000 | 2.00 | 2.20 | .024 | .035 |

Needless to say, the degree of accuracy required must be decided by management, but the authors suggest that a sample size of 200 drinks provides acceptable accuracy without imposing excessive data-gathering requirements.

IN CONCLUSION: SOME LIMITATIONS

It is important to emphasize that the accuracy yielded by the various sample sizes simulated by the computer derives in part from the simplified eight-way categorization permitted by the subject hotel's pricing structure. In beverage operations that feature more complex pricing - including perhaps as many as three different prices for the same amount of product, depending on the sales period - it is likely that a larger sample would be required to yield accuracy commensurate with the research results.

Moreover, samples chosen by management - regardless of size should be stratified to ensure that they reflect the typical business activity of the beverage outlet. The authors suggest that this is best accomplished by analyzing the percentage of gross sales realized during periods when differing prices are in effect. Thus, if 40 percent of an operation's gross sales occur during a reduced-price happy hour, 40 percent of the drinks included in the sample should be drawn from the activity of this period, and the remaining 60 percent of the sample should include drinks sold when the full price is charged.

Finally, all potential-sales-value systems rely on the assumption that, on average, sales patterns in an operation remain essentially unchanged, with predictable seasonal fluctuations. Although this assumption is frequently borne out through years of operation, changes in clientele and consumer habits may alter the basic relationships. Failure to acknowledge this assumption explicitly may render the control system significantly less accurate over the long run.

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# National Trend of Business in the Restaurant Industry

VOLUME II, NUMBER 9 SEPTEMBER, 1981

Total average receipt per cover rose 5.5 percent to $7.27 for September 1981 when compared with the same month last year. Single unit operations averaged higher average checks than multi-unit properties, and by region, restaurants located in the West achieved the highest average check at $8.01. The greatest increase in average check over last year was reported by restaurants located in the Northeast area of the country.

Total sales of food and beverage continued to rise at a faster pace than total cost of food and beverage. Restaurants with sales volumes of $90,865 and over had the greatest increase in food and beverage sales in 1981, 11.2 percent when compared with September 1980.

Total payroll costs rose 10.9 percent from last year, with the greatest increase reported by establishments with limited-menus and table-service, 23.5 percent. Regionally, payroll costs increased 18.0 percent in the West, 11.6 percent in the Southeast, 9.1 percent in the North Central, 4.7 percent in the Northeast and 3.4 percent in the South Central. Total covers per full-time-equivalent employee rose 6 percent from 349.2 in September 1980 to 370.2 in 1981. Total sales per payroll dollar decreased negligibly to $3.32 from September 1981.

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TREND REPORT SEPTEMBER 1981 COMPARED WITH SEPTEMBER 1980

| | SALES % CHANGE | | | COST % CHANGE | | | | AVERAGE RECEIPT PER COVER | |
|---|---|---|---|---|---|---|---|---|---|
| | TOTAL | FOOD[1] | BEV.[1] | TOTAL | FOOD[1] | BEV.[1] | PAYROLL | SEP | % CHG |
| TOTAL | 9.9 | 9.3 | 12.7 | 9.2 | 9.2 | 9.0 | 10.9 | $ 7.27 | 5.5 |
| AFFILIATION: | | | | | | | | | |
| Single Unit | 4.2 | 2.4 | 10.8 | 6.0 | 6.1 | 5.2 | 5.5 | $11.41 | 7.0 |
| Multi-Unit: | | | | | | | | | |
| Company-Owned | 10.6 | 10.4 | * | 10.5 | 10.6 | * | 12.8 | 2.98 | 9.2 |
| Franchised | 13.7 | 13.5 | 14.7 | 11.0 | 10.9 | 12.0 | 14.2 | 6.86 | 5.9 |
| AREA: | | | | | | | | | |
| Northeast | 8.8 | 7.9 | 19.2 | 5.8 | 5.0 | 17.9 | 4.7 | $ 6.75 | 11.5 |
| Southeast | 17.8 | 20.1 | 10.7 | 10.5 | 10.7 | 9.3 | 11.6 | 8.01 | 8.8 |
| North Central | 14.7 | 12.8 | 22.6 | 12.4 | 12.3 | 12.9 | 9.1 | 5.75 | 2.4 |
| South Central | -4.5 | -5.5 | -1.5 | -0.9 | 0.8 | -8.5 | 3.4 | 6.32 | -1.2 |
| West | 13.3 | 13.1 | 14.0 | 12.6 | 12.4 | 14.1 | 18.0 | 9.56 | 10.0 |
| SALES PER MONTH: | | | | | | | | | |
| Under $44162. | 10.3 | 10.5 | 7.0 | 8.1 | 9.2 | -11.3 | 5.5 | $ 4.07 | 10.2 |
| $44162. TO $62594. | 3.5 | 2.8 | 9.8 | 2.9 | 2.6 | 6.7 | 5.5 | 4.81 | 3.3 |
| $62594. TO $90866. | 9.9 | 10.1 | 8.7 | 7.3 | 7.2 | 8.1 | 9.2 | 5.80 | 4.9 |
| Over $90866. | 11.2 | 10.5 | 13.7 | 11.1 | 11.3 | 9.9 | 13.0 | 8.46 | 5.3 |
| NUMBER OF SEATS: | | | | | | | | | |
| Under 108 | 11.7 | 10.4 | 17.7 | 8.5 | 7.8 | 13.1 | 10.0 | $ 3.84 | 11.8 |
| 108 TO 160 | 7.7 | 7.7 | * | 6.4 | 6.3 | * | 9.2 | 3.74 | 2.4 |
| 160 TO 267 | 16.6 | 16.7 | 16.1 | 13.7 | 13.4 | 16.0 | 19.1 | 8.12 | 10.0 |
| OVER 267 | 4.4 | 2.9 | 9.6 | 5.9 | 6.4 | 3.1 | 7.9 | 9.28 | - |
| TYPE: | | | | | | | | | |
| Cafeteria | 20.6 | 20.6 | * | 23.4 | 23.4 | * | 13.3 | $ 2.62 | -2.6 |
| Coffee Shop | 4.7 | 4.6 | * | 3.2 | 3.1 | * | 4.9 | * | * |
| Full Menu: | | | | | | | | | |
| Tableservice | 7.8 | 7.0 | 10.4 | 7.7 | 7.9 | 6.7 | 7.0 | $ 9.04 | 3.7 |
| Limited Menu: | | | | | | | | | |
| Tableservice | 18.5 | 17.9 | 21.6 | 15.4 | 15.2 | 16.6 | 23.5 | 8.40 | 11.1 |
| No Tableservice | 9.8 | 9.3 | * | 8.6 | 8.2 | * | 8.9 | * | * |
| Other | * | * | * | * | * | * | * | * | * |

* INSUFFICIENT RESPONSE

\- NO CHANGE

1 Since all restaurants did not report data for each line, each line item has been analyzed separately and may not add to totals shown.

YEAR TO DATE TREND REPORT AS OF SEPTEMBER 1981

| | SALES % CHANGE | | | COST % CHANGE | | | | AVERAGE RECEIPT PER COVER | |
|---|---|---|---|---|---|---|---|---|---|
| | TOTAL | FOOD[1] | BEV.[1] | TOTAL | FOOD[1] | BEV.[1] | PAYROLL | SEP | % CHG |
| TOTAL | 8.3 | 7.3 | 13.7 | 6.5 | 6.1 | 8.2 | 7.3 | $ 7.45 | 8.7 |
| AFFILIATION: | | | | | | | | | |
| Single Unit | 9.2 | 7.9 | 14.5 | 8.4 | 7.3 | 10.6 | 6.9 | $ 9.46 | 8.5 |
| Multi-Unit: | | | | | | | | | |
| Company-Owned | 6.8 | 6.3 | 9.3 | 3.4 | 2.5 | 11.2 | 6.4 | 2.92 | 4.4 |
| Franchised | 7.9 | 7.0 | 13.2 | 5.6 | 5.6 | 6.3 | 7.6 | 7.10 | 9.4 |
| AREA: | | | | | | | | | |
| Northeast | 4.8 | 3.7 | 22.3 | 4.5 | 2.6 | 18.0 | 4.2 | $ 6.58 | 8.8 |
| Southeast | 4.8 | 3.3 | 14.5 | - | -0.6 | 5.0 | 2.3 | 6.60 | 16.9 |
| North Central | 10.4 | 9.4 | 14.5 | 7.1 | 6.8 | 9.0 | 7.2 | 6.68 | 6.8 |
| South Central | 5.7 | 5.2 | 7.6 | 7.4 | 8.0 | 4.4 | 9.2 | 6.65 | 2.4 |
| West | 10.7 | 10.0 | 13.5 | 9.1 | 9.2 | 8.3 | 9.8 | 8.87 | 8.5 |
| SALES PER MONTH: | | | | | | | | | |
| Under $39615. | 10.0 | 10.3 | 5.5 | 6.5 | 6.7 | 3.3 | 6.4 | $ 3.91 | 10.2 |
| $39615. TO $62073. | 6.0 | 4.8 | 21.0 | 4.9 | 4.2 | 16.6 | 6.1 | 5.02 | 7.3 |
| $62073. TO $104844. | 5.9 | 5.5 | 8.5 | 4.8 | 4.6 | 6.4 | 4.9 | 6.28 | 4.2 |
| Over $104844. | 9.4 | 8.2 | 14.5 | 7.4 | 6.9 | 8.0 | 8.5 | 8.67 | 10.1 |
| NUMBER OF SEATS: | | | | | | | | | |
| Under 110 | 13.3 | 12.4 | 18.9 | 10.8 | 10.1 | 16.0 | 11.5 | $ 4.26 | 11.1 |
| 110 TO 160 | 5.7 | 5.1 | 22.0 | 5.0 | 4.6 | 20.6 | 4.8 | 4.18 | 4.5 |
| 160 TO 285 | 10.6 | 10.2 | 12.6 | 9.1 | 8.8 | 7.5 | 11.0 | 8.28 | 8.4 |
| Over 285 | 5.8 | 3.9 | 13.2 | 3.1 | 2.5 | 6.8 | 3.5 | 8.41 | 10.3 |
| TYPE: | | | | | | | | | |
| Cafeteria | 18.1 | 18.0 | 31.3 | 14.9 | 14.9 | * | 6.7 | $ 2.56 | 9.9 |
| Coffee Shop | 2.4 | 2.3 | 34.2 | 1.8 | 1.8 | 38.4 | 3.3 | 2.75 | 1.2 |
| Full Menu: | | | | | | | | | |
| Tableservice | 8.3 | 7.0 | 13.2 | 6.0 | 5.2 | 8.2 | 6.1 | $ 8.28 | 10.0 |
| Limited Menu: | | | | | | | | | |
| Tableservice | 10.0 | 9.2 | 14.1 | 8.7 | 9.0 | 6.3 | 11.2 | 7.87 | 7.9 |
| No Tableservice | 13.0 | 14.1 | 9.2 | 12.1 | 12.3 | 11.0 | 10.9 | 2.80 | 7.6 |
| Other | 20.3 | 17.1 | 47.7 | 10.7 | 7.8 | 49.3 | 13.7 | 5.98 | 8.9 |

* INSUFFICIENT RESPONSE

\- NO CHANGE

1 Since all restaurants did not report data for each line, each line item has been analyzed separately and may therefore not add to totals shown.

FOOD AND BEVERAGE SALES REPORT AS OF SEPTEMBER 1981

| | COMPOSITION OF SALES | | | | TOTAL COST PER DOLLAR OF SALES | | | |
|---|---|---|---|---|---|---|---|---|
| | SEP 81 | | SEP 80 | | SEP 81 | | SEP 80 | |
| | FOOD | BEV. | FOOD | BEV. | FOOD | BEV. | FOOD | BEV. |
| TOTAL | 81.3 | 18.7 | 81.7 | 18.3 | $ 0.39 | $ 0.24 | $ 0.39 | $ 0.25 |
| AFFILIATION: | | | | | | | | |
| Single Unit | 77.4 | 22.6 | 78.8 | 21.2 | $ 0.40 | $ 0.23 | $ 0.39 | $ 0.25 |
| Multi-Unit: | | | | | | | | |
| Company-Owned | 77.1 | * | 77.2 | * | 0.33 | * | 0.33 | * |
| Franchised | 84.1 | 15.9 | 84.2 | 15.8 | 0.40 | 0.25 | 0.41 | 0.26 |
| AREA: | | | | | | | | |
| Northeast | 91.3 | 8.7 | 92.0 | 8.0 | $ 0.36 | $ 0.27 | $ 0.37 | $ 0.28 |
| Southeast | 77.3 | 22.7 | 75.8 | 24.2 | 0.39 | 0.23 | 0.42 | 0.23 |
| North Central | 79.4 | 20.6 | 80.8 | 19.2 | 0.40 | 0.25 | 0.40 | 0.27 |
| South Central | 75.5 | 24.5 | 76.2 | 23.8 | 0.33 | 0.21 | 0.31 | 0.23 |
| West | 80.4 | 19.6 | 80.5 | 19.5 | 0.44 | 0.25 | 0.45 | 0.25 |
| SALES PER MONTH: | | | | | | | | |
| Under $44162. | 94.5 | 5.5 | 94.3 | 5.7 | $ 0.37 | $ 0.29 | $ 0.37 | $ 0.35 |
| $44162. TO $62594. | 89.0 | 11.0 | 89.7 | 10.3 | 0.37 | 0.22 | 0.38 | 0.23 |
| $62594. TO $90866. | 88.7 | 11.3 | 88.5 | 11.5 | 0.37 | 0.27 | 0.38 | 0.27 |
| Over $90866. | 76.6 | 23.4 | 77.1 | 22.9 | 0.41 | 0.24 | 0.41 | 0.25 |
| NUMBER OF SEATS: | | | | | | | | |
| Under 108 | 81.5 | 18.5 | 82.4 | 17.6 | $ 0.34 | $ 0.24 | $ 0.35 | $ 0.25 |
| 108 TO 160 | 94.3 | * | 94.3 | * | 0.36 | * | 0.36 | * |
| 160 TO 267 | 82.0 | 18.0 | 81.9 | 18.1 | 0.43 | 0.25 | 0.44 | 0.25 |
| Over 267 | 76.3 | 23.7 | 77.4 | 22.6 | 0.39 | 0.23 | 0.38 | 0.25 |
| TYPE: | | | | | | | | |
| Cafeteria | 100.0 | * | 100.0 | * | $ 0.39 | $ * | $ 0.38 | $ * |
| Coffee Shop | 99.7 | * | 99.8 | * | 0.33 | * | 0.33 | * |
| Full Menu: | | | | | | | | |
| Tableservice | 76.7 | 23.3 | 77.3 | 22.7 | $ 0.40 | $ 0.24 | $ 0.39 | $ 0.25 |
| Limited Menu: | | | | | | | | |
| Tableservice | 82.5 | 17.5 | 82.9 | 17.1 | 0.44 | 0.25 | 0.45 | 0.26 |
| No Tableservice | 73.3 | * | 73.7 | * | 0.34 | * | 0.34 | * |
| Other | * | * | * | * | * | * | * | * |

* INSUFFICIENT RESPONSE

PAYROLL AND EMPLOYEE REPORT SEPTEMBER 1981 COMPARED WITH SEPTEMBER 1980

| | SALES PER FTE EMP | | PAYROLL PER FTE EMP | | COVERS PER FTE EMP | | TOTAL SALES PER PAYROLL DOLLAR | |
|---|---|---|---|---|---|---|---|---|
| | SEP 81 | SEP 80 | SEP 81 | SEP 80 | SEP 81 | SEP 80 | SEP 81 | SEP 80 |
| TOTAL | $ 2205.90 | $ 1959.98 | $ 687.17 | $ 607.11 | 370.2 | 349.2 | $ 3.32 | $ 3.36 |
| AFFILIATION: | | | | | | | | |
| Single Unit | $ 2559.15 | $ 2329.77 | $ 783.87 | $ 720.21 | 306.8 | 302.4 | $ 3.49 | $ 3.55 |
| Multi-Unit: | | | | | | | | |
| Company-Owned | 2387.51 | 2246.96 | 632.39 | 583.33 | 812.6 | 830.3 | 3.78 | 3.85 |
| Franchised | 2070.84 | 1809.34 | 661.26 | 572.19 | 333.2 | 303.9 | 3.17 | 3.18 |
| AREA: | | | | | | | | |
| Northeast | $ 1805.98 | $ 1682.09 | $ 532.72 | $ 512.34 | 394.7 | 365.4 | $ 3.43 | $ 3.30 |
| Southeast | 2234.17 | 1928.57 | 596.20 | 543.49 | 293.8 | 277.8 | 3.75 | 3.55 |
| North Central | 2389.45 | 2071.41 | 669.82 | 606.23 | 455.1 | 409.6 | 3.68 | 3.48 |
| South Central | 2349.25 | 2236.78 | 610.65 | 560.90 | 603.0 | 601.1 | 3.88 | 4.21 |
| West | 2323.91 | 2019.51 | 858.09 | 706.79 | 268.0 | 256.8 | 2.83 | 2.96 |
| SALES PER MONTH: | | | | | | | | |
| Under $44162. | $ 1922.25 | $ 1719.23 | $ 569.78 | $ 506.83 | 452.4 | 447.1 | $ 3.42 | $ 3.33 |
| $44162. TO $62594. | 1770.40 | 1715.46 | 532.68 | 506.71 | 423.5 | 395.7 | 3.39 | 3.47 |
| $62594. TO $90866. | 1971.48 | 1854.58 | 603.22 | 569.61 | 360.5 | 366.6 | 3.26 | 3.23 |
| Over $90866. | 2514.75 | 2127.87 | 792.91 | 669.35 | 353.8 | 326.2 | 3.32 | 3.37 |
| NUMBER OF SEATS: | | | | | | | | |
| Under 108 | $ 2353.49 | $ 2146.07 | $ 615.94 | $ 570.70 | 660.7 | 662.0 | $ 3.79 | $ 3.76 |
| 108 TO 160 | 1677.68 | 1545.43 | 516.22 | 469.15 | 455.8 | 428.3 | 3.25 | 3.29 |
| 160 TO 267 | 2233.20 | 1951.38 | 762.02 | 642.51 | 287.3 | 272.5 | 3.01 | 3.07 |
| Over 267 | 2509.24 | 2202.70 | 750.06 | 686.57 | 362.8 | 324.9 | 3.59 | 3.57 |
| TYPE: | | | | | | | | |
| Cafeteria | $ 2237.29 | $ 1585.88 | $ 529.09 | $ 399.33 | 852.6 | 588.7 | $ 4.23 | $ 3.97 |
| Coffee Shop | 1612.58 | 1537.61 | 467.53 | 444.85 | * | * | 3.45 | 3.46 |
| Full Menu: | | | | | | | | |
| Tableservice | $ 2385.43 | $ 2145.69 | $ 720.02 | $ 661.31 | 327.2 | 314.1 | $ 3.50 | $ 3.50 |
| Limited Menu: | | | | | | | | |
| Tableservice | 2222.79 | 1862.57 | 812.63 | 653.40 | 264.6 | 246.3 | 2.74 | 2.85 |
| No Tableservice | 2928.35 | 2845.85 | 704.57 | 690.62 | * | * | 4.16 | 4.12 |
| Other | * | * | * | * | * | * | * | * |

* INSUFFICIENT RESPONSE

B5050-5 4/5/82

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LAVENTHOL & HORWATH
CERTIFIED PUBLIC ACCOUNTANTS

# NATIONAL TREND OF BUSINESS
# Restaurant Industry

**A SERVICE TO THE CLIENTS OF LAVENTHOL & HORWATH**

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VOLUME II, NUMBER 10 OCTOBER 1981

Customer counts remained relatively unchanged during October 1981 from the same month last year. However, because of an 8.1 percent increase in the average receipt per cover, total sales rose 7.9 percent over October 1980. The increase in sales stemmed from a 7.1 percent increase in food sales and an 11.4 percent increase in beverage sales. Because of the higher growth in beverage sales, the composition of revenues shifted slightly during the month with 82.1 percent of sales coming from food in October 1981 compared with 82.7 percent in October 1980. Sales per full-time equivalent (FTE) employee also increased during the month, again primarily due to menu price increases since the number of covers per FTE employee dropped slightly.

As has happened throughout the year, total food and beverage costs increased at a lower rate than sales. This enabled operators to reduce both food and beverage costs per dollar of sales by one cent. Food costs declined from $.39 to $.38 and beverage costs dropped from $.27 to $.26. Payroll costs, as a percentage of total sales, also declined during the month. Payroll costs per FTE employee dropped 2.5 percent to $646.92 for the month. The industry should be in a much better position to control payroll costs over the next year since no minimum wage hikes are currently scheduled.

For the year-to-date, total sales have increased by 8.5 percent and total food and beverage costs have risen 6.4 percent over the same period in 1980. Payroll costs for the ten-month period increased 7.1 percent. During the next several quarters, customer counts are not expected to improve considerably. However, as the next round of tax cuts become effective this summer, customer counts and average receipt per cover could increase enough to offset any decline experienced during the first part of the year. While there is some discussion about the overall economy continuing to slide further into a recession, costs should be easier to control enabling operators to maintain profit margins.

TREND REPORT OCTOBER 1981 COMPARED WITH OCTOBER 1980

| | SALES % CHANGE | | | COST % CHANGE | | | | AVERAGE RECEIPT PER COVER | |
|---|---|---|---|---|---|---|---|---|---|
| | TOTAL | FOOD[1] | BEV.[1] | TOTAL | FOOD[1] | BEV.[1] | PAYROLL | OCT | % CHG |
| TOTAL | 7.9 | 7.1 | 11.4 | 3.7 | 3.2 | 6.9 | 4.3 | $ 7.00 | 8.1 |
| AFFILIATION: | | | | | | | | | |
| Single Unit | 5.9 | 4.4 | 11.7 | 0.2 | 0.1 | 1.0 | 7.5 | $ 9.55 | 9.2 |
| Multi-Unit: | | | | | | | | | |
| Company-Owned | 1.3 | 0.7 | * | -4.7 | -6.9 | * | 0.4 | 3.06 | 2.5 |
| Franchised | 10.5 | 10.1 | 12.3 | 7.1 | 6.7 | 11.2 | 3.1 | 7.59 | 8.8 |
| AREA: | | | | | | | | | |
| Northeast | 6.8 | 6.6 | 11.4 | 5.0 | 4.9 | 6.6 | -4.0 | $ 4.65 | 6.8 |
| Southeast | 6.1 | 7.0 | 2.9 | -3.4 | -2.5 | -7.7 | 8.5 | 8.56 | 15.0 |
| North Central | 6.5 | 5.3 | 12.4 | 0.3 | 0.1 | 1.1 | 6.0 | 6.29 | 5.9 |
| South Central | 7.8 | 6.7 | * | -0.8 | -2.9 | * | 5.7 | 4.19 | 8.9 |
| West | 10.0 | 9.5 | 12.1 | 8.3 | 7.3 | 15.2 | 5.4 | 10.30 | 10.1 |
| SALES PER MONTH: | | | | | | | | | |
| Under $41572. | 4.9 | 5.2 | -0.2 | -0.9 | -0.6 | -6.9 | 7.3 | $ 4.42 | 3.7 |
| $41572. TO $66101. | 3.7 | 3.2 | 10.3 | 2.0 | 1.1 | 18.0 | -0.5 | 4.93 | 11.6 |
| $66101. TO $105873. | 10.4 | 10.9 | 8.3 | 5.9 | 7.1 | -1.0 | 4.2 | 6.94 | 6.0 |
| Over $105873. | 8.2 | 7.1 | 12.5 | 3.7 | 2.8 | 8.9 | 5.2 | 7.57 | 8.2 |
| NUMBER OF SEATS: | | | | | | | | | |
| Under 109 | 6.8 | 6.5 | 7.8 | -0.1 | -0.5 | 1.4 | 7.7 | $ 3.74 | 9.8 |
| 109 TO 156 | 6.6 | 5.6 | * | 4.1 | 2.9 | * | 0.8 | 3.55 | 4.9 |
| 156 TO 211 | 12.6 | 12.1 | 14.6 | 7.2 | 6.6 | 11.4 | 6.6 | 6.68 | 7.9 |
| Over 211 | 7.1 | 6.3 | 10.4 | 3.2 | 2.9 | 5.0 | 4.1 | 9.89 | 8.6 |
| TYPE: | | | | | | | | | |
| Cafeteria | * | * | * | * | * | * | * | $ * | * |
| Coffee Shop | 2.5 | 2.4 | * | 1.3 | 1.3 | * | -6.2 | 3.01 | - |
| Full Menu: | | | | | | | | | |
| Tableservice | 8.3 | 7.8 | 10.4 | 2.3 | 2.0 | 3.8 | 7.0 | $ 9.11 | 7.0 |
| Limited Menu: | | | | | | | | | |
| Tableservice | 10.2 | 9.3 | 14.0 | 7.8 | 7.5 | 10.1 | 4.2 | 8.36 | 10.6 |
| No Tableservice | 4.1 | 3.9 | * | 0.7 | -2.8 | * | 5.9 | 2.92 | 7.9 |
| Other | 22.4 | 19.7 | * | 15.2 | 12.0 | * | 26.4 | * | * |

* INSUFFICIENT RESPONSE

\- NO CHANGE

[1] Since all restaurants did not report data for each line, each line item has been analyzed separately and may not add to totals shown.

YEAR TO DATE TREND REPORT AS OF OCTOBER 1981

| | SALES % CHANGE | | | COST % CHANGE | | | | AVERAGE RECEIPT PER COVER | |
|---|---|---|---|---|---|---|---|---|---|
| | TOTAL | FOOD[1] | BEV.[1] | TOTAL | FOOD[1] | BEV.[1] | PAYROLL | OCT | % CHG |
| TOTAL | 8.5 | 7.4 | 13.6 | 6.4 | 6.0 | 8.2 | 7.1 | $ 7.46 | 8.7 |
| AFFILIATION: | | | | | | | | | |
| Single Unit | 9.3 | 7.8 | 14.7 | 8.0 | 7.0 | 9.9 | 7.2 | $ 9.57 | 8.7 |
| Multi-Unit: | | | | | | | | | |
| Company-Owned | 6.2 | 5.7 | 8.5 | 2.7 | 1.5 | 12.1 | 5.7 | 2.93 | 4.3 |
| Franchised | 8.1 | 7.3 | 13.1 | 5.8 | 5.7 | 6.8 | 7.1 | 7.17 | 9.2 |
| AREA: | | | | | | | | | |
| Northeast | 4.8 | 3.9 | 21.6 | 4.4 | 2.8 | 17.2 | 3.4 | $ 6.31 | 8.7 |
| Southeast | 5.5 | 4.0 | 14.5 | 0.4 | -0.2 | 5.0 | 2.5 | 6.65 | 17.2 |
| North Central | 10.0 | 8.9 | 14.2 | 6.3 | 6.1 | 7.9 | 7.2 | 6.75 | 6.6 |
| South Central | 6.2 | 5.6 | 8.2 | 7.1 | 7.5 | 4.8 | 9.1 | 6.19 | 3.3 |
| West | 10.7 | 10.0 | 13.6 | 9.1 | 9.1 | 9.2 | 9.4 | 8.99 | 8.7 |
| SALES PER MONTH: | | | | | | | | | |
| Under $40084. | 10.4 | 10.7 | 5.5 | 6.9 | 7.1 | 3.0 | 7.2 | $ 3.90 | 10.2 |
| $40084. TO $63684. | 6.3 | 5.1 | 20.9 | 4.6 | 3.9 | 17.0 | 5.8 | 5.11 | 7.8 |
| $63684. TO $105559. | 6.3 | 6.0 | 8.4 | 4.8 | 4.7 | 5.9 | 4.5 | 6.38 | 4.7 |
| Over $105559. | 9.5 | 8.2 | 14.4 | 7.3 | 6.8 | 8.2 | 8.2 | 8.60 | 9.8 |
| NUMBER OF SEATS: | | | | | | | | | |
| Under 110 | 12.9 | 12.0 | 17.4 | 9.8 | 9.2 | 13.9 | 11.2 | $ 4.23 | 11.0 |
| 110 TO 160 | 6.3 | 5.6 | 26.6 | 5.5 | 4.9 | 27.2 | 4.6 | 4.07 | 5.7 |
| 160 TO 266 | 10.6 | 10.2 | 12.8 | 9.1 | 8.8 | 8.2 | 10.3 | 8.20 | 8.4 |
| Over 266 | 6.0 | 4.1 | 12.9 | 3.0 | 2.4 | 6.2 | 3.6 | 8.68 | 10.0 |
| TYPE: | | | | | | | | | |
| Cafeteria | 18.7 | 18.5 | 31.3 | 14.8 | 14.8 | * | 7.3 | $ 2.48 | 10.4 |
| Coffee Shop | 2.6 | 2.6 | 35.6 | 2.1 | 2.0 | 36.8 | 2.2 | 2.77 | 1.4 |
| Full Menu: | | | | | | | | | |
| Tableservice | 8.5 | 7.3 | 13.1 | 5.8 | 5.2 | 7.8 | 6.2 | $ 8.40 | 9.7 |
| Limited Menu: | | | | | | | | | |
| Tableservice | 10.2 | 9.4 | 14.4 | 8.8 | 9.0 | 7.2 | 10.7 | 7.90 | 8.3 |
| No Tableservice | 11.2 | 12.0 | 8.4 | 9.8 | 9.5 | 12.0 | 9.5 | 2.84 | 7.4 |
| Other | 20.5 | 17.3 | 46.5 | 11.1 | 8.1 | 49.7 | 14.6 | 6.04 | 9.7 |

* INSUFFICIENT RESPONSE

1 Since all restaurants did not report data for each line, each line item has been analyzed separately and may therefore not add to totals shown.

FOOD AND BEVERAGE SALES REPORT AS OF OCTOBER 1981

| | COMPOSITION OF SALES | | | | TOTAL COST PER DOLLAR OF SALES | | | |
|---|---|---|---|---|---|---|---|---|
| | OCT 81 | | OCT 80 | | OCT 81 | | OCT 80 | |
| | FOOD | BEV. | FOOD | BEV. | FOOD | BEV. | FOOD | BEV. |
| TOTAL | 82.1 | 17.9 | 82.7 | 17.3 | $ 0.38 | $ 0.26 | $ 0.39 | $ 0.27 |
| AFFILIATION: | | | | | | | | |
| Single Unit | 78.3 | 21.7 | 79.4 | 20.6 | $ 0.36 | $ 0.26 | $ 0.37 | $ 0.29 |
| Multi-Unit: | | | | | | | | |
| Company-Owned | 85.1 | * | 85.5 | * | 0.32 | * | 0.34 | * |
| Franchised | 84.1 | 15.9 | 84.3 | 15.7 | 0.40 | 0.26 | 0.41 | 0.26 |
| AREA: | | | | | | | | |
| Northeast | 96.5 | 3.5 | 96.6 | 3.4 | $ 0.35 | $ 0.29 | $ 0.35 | $ 0.31 |
| Southeast | 79.3 | 20.7 | 78.6 | 21.4 | 0.40 | 0.29 | 0.43 | 0.33 |
| North Central | 82.0 | 18.0 | 82.9 | 17.1 | 0.34 | 0.25 | 0.36 | 0.27 |
| South Central | 71.1 | * | 71.7 | * | 0.37 | * | 0.40 | * |
| West | 80.1 | 19.9 | 80.4 | 19.6 | 0.43 | 0.27 | 0.44 | 0.26 |
| SALES PER MONTH: | | | | | | | | |
| Under $41572. | 94.9 | 5.1 | 94.6 | 5.4 | $ 0.35 | $ 0.26 | $ 0.37 | $ 0.28 |
| $41572. TO $66101. | 92.4 | 7.6 | 92.9 | 7.1 | 0.36 | 0.30 | 0.37 | 0.28 |
| $66101. TO $105873. | 81.7 | 18.3 | 81.3 | 18.7 | 0.38 | 0.28 | 0.39 | 0.30 |
| Over $105873. | 79.3 | 20.7 | 80.1 | 19.9 | 0.38 | 0.25 | 0.40 | 0.26 |
| NUMBER OF SEATS: | | | | | | | | |
| Under 109 | 77.3 | 22.7 | 77.5 | 22.5 | $ 0.34 | $ 0.25 | $ 0.36 | $ 0.26 |
| 109 TO 156 | 95.0 | * | 95.8 | * | 0.35 | * | 0.36 | * |
| 156 TO 211 | 82.5 | 17.5 | 82.8 | 17.2 | 0.39 | 0.26 | 0.41 | 0.27 |
| Over 211 | 79.2 | 20.8 | 79.8 | 20.2 | 0.39 | 0.26 | 0.41 | 0.27 |
| TYPE: | | | | | | | | |
| Cafeteria | * | * | * | * | $ * | $ * | $ * | $ * |
| Coffee Shop | 99.7 | * | 99.7 | * | 0.33 | * | 0.33 | * |
| Full Menu: | | | | | | | | |
| Tableservice | 78.8 | 21.2 | 79.2 | 20.8 | $ 0.37 | $ 0.26 | $ 0.39 | $ 0.28 |
| Limited Menu: | | | | | | | | |
| Tableservice | 80.6 | 19.4 | 81.2 | 18.8 | 0.44 | 0.26 | 0.44 | 0.27 |
| No Tableservice | 73.3 | * | 73.5 | * | 0.32 | * | 0.35 | * |
| Other | 83.9 | * | 85.9 | * | 0.33 | * | 0.35 | * |

* INSUFFICIENT RESPONSE

PAYROLL AND EMPLOYEE REPORT OCTOBER 1981 COMPARED WITH OCTOBER 1980

| | SALES PER FTE EMP | | PAYROLL PER FTE EMP | | COVERS PER FTE EMP | | TOTAL SALES PER PAYROLL DOLLAR | |
|---|---|---|---|---|---|---|---|---|
| | OCT 81 | OCT 80 | OCT 81 | OCT 80 | OCT 81 | OCT 80 | OCT 81 | OCT 80 |
| TOTAL | $ 2133.85 | $ 2067.88 | $ 646.92 | $ 663.26 | 352.3 | 354.2 | $ 3.33 | $ 3.17 |
| AFFILIATION: | | | | | | | | |
| Single Unit | $ 2064.50 | $ 2221.50 | $ 629.60 | $ 702.46 | 284.9 | 299.6 | $ 3.36 | $ 3.27 |
| Multi-Unit: | | | | | | | | |
| Company-Owned | 2614.58 | 2575.40 | 669.51 | 651.78 | 862.6 | 891.6 | 3.67 | 3.64 |
| Franchised | 2128.21 | 1927.87 | 655.38 | 641.40 | 306.0 | 299.3 | 3.26 | 3.02 |
| AREA: | | | | | | | | |
| Northeast | $ 1779.61 | $ 1658.06 | $ 535.38 | $ 561.22 | 524.1 | 470.3 | $ 3.31 | $ 2.98 |
| Southeast | 2150.69 | 1930.76 | 517.48 | 476.93 | 267.7 | 285.1 | 4.08 | 4.04 |
| North Central | 2008.36 | 2129.17 | 596.53 | 659.39 | 397.6 | 410.6 | 3.36 | 3.22 |
| South Central | 2570.62 | 2423.62 | 661.78 | 635.85 | 613.7 | 630.2 | 3.88 | 3.81 |
| West | 2365.99 | 2134.98 | 779.38 | 749.30 | 249.1 | 246.7 | 3.13 | 3.00 |
| SALES PER MONTH: | | | | | | | | |
| Under $41685. | $ 2065.15 | $ 2090.58 | $ 592.61 | $ 592.48 | 450.6 | 474.7 | $ 3.45 | $ 3.53 |
| $41685. TO $66250. | 1893.58 | 1831.57 | 571.95 | 576.49 | 452.4 | 480.4 | 3.31 | 3.18 |
| $66250. TO $103485. | 2084.57 | 1880.01 | 586.55 | 596.45 | 344.8 | 332.6 | 3.54 | 3.20 |
| Over $103485. | 2215.44 | 2184.29 | 688.32 | 711.56 | 328.8 | 328.0 | 3.27 | 3.14 |
| NUMBER OF SEATS: | | | | | | | | |
| Under 110 | $ 2596.34 | $ 2397.59 | $ 673.29 | $ 628.14 | 728.3 | 749.8 | $ 3.82 | $ 3.80 |
| 110 TO 160 | 1868.88 | 1756.51 | 554.60 | 550.89 | 519.6 | 539.8 | 3.36 | 3.18 |
| 160 TO 213 | 2352.90 | 2184.77 | 716.67 | 709.97 | 358.3 | 345.8 | 3.30 | 3.13 |
| Over 213 | 2077.68 | 2076.19 | 651.93 | 691.28 | 245.5 | 247.2 | 3.24 | 3.08 |
| TYPE: | | | | | | | | |
| Cafeteria | $ * | $ * | $ * | $ * | * | * | $ * | $ * |
| Coffee Shop | 1687.46 | 1613.20 | 503.38 | 535.33 | 642.1 | 630.8 | 3.34 | 3.06 |
| Full Menu: | | | | | | | | |
| Tableservice | 2476.61 | 2248.52 | 731.22 | $ 705.16 | 288.4 | 287.2 | 3.45 | 3.31 |
| Limited Menu: | | | | | | | | |
| Tableservice | 1903.99 | 1988.69 | 621.98 | 678.83 | 261.4 | 259.4 | 3.06 | 2.93 |
| No Tableservice | 3187.58 | 3114.76 | 760.83 | 730.80 | 1092.3 | 1151.3 | 4.19 | 4.26 |
| Other | 2501.76 | 2208.65 | 635.81 | 543.73 | * | * | 3.93 | 4.06 |

* INSUFFICIENT RESPONSE